

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1932

IN THE MATTER OF:

Served December 5, 1978

CENTRAL DELIVERY SERVICE OF)
WASHINGTON, INC. - Investigation)
of Fitness and Revocation of)
Certificate No. 23)

Case No. MP-78-16

Central Delivery Service of Washington, Inc. (Central), holds Certificate of Public Convenience and Necessity No. 23 which authorizes Central to perform certain charter operations pursuant to a continuing contract or contracts with United Airlines.^{1/} Operations thereunder are limited to the performance of service pursuant to a current bilateral contract, and Central is obligated to file with the Commission five-days written notice of any cancellation or termination of such agreements.

On November 21, 1978, temporary authority was granted to another carrier to provide the same service for United Airlines that Central had previously rendered. In Order No. 1924, we found that Central had cancelled its contract with United Airlines and also noted that Central had (orally) informed the staff that equipment theretofore utilized in serving United Airlines had been sold. To date, however, no written communication from Central has been received regarding its contractual status with United Airlines.

In another proceeding, Case No. AP-78-51, the Commission has been advised by Pan American World Airways, Inc. (Pan Am), that Central had been transporting Pan Am crews between various points in the Metropolitan District. Central holds no authority to provide such service.

Finally, a review of Central's insurance file has revealed that certificates of insurance on file for that carrier do not cover the first

^{1/} Central also was authorized to perform charter operations pursuant to contracts with American Airlines and the United States Nuclear Regulatory Commission. That authority, however, was revoked by Order No. 1931, served December 5, 1978.

\$25,000 of any liability that may be incurred. Title II, Article XII, Section 9(a) provides that no certificate of public convenience issued by the Commission shall remain in force unless the holder thereof complies with the Commission's regulations governing insurance.^{2/}

Based on the foregoing, the Commission finds that Central is in violation of Title II, Article XII, Section 9(a) of the Compact and Regulation No. 62 promulgated thereunder. The Commission further finds that good cause exists to believe that Central is not in compliance (a) with Title II, Article XII, Section 3 of the Compact, Commission Regulation 63-01 and the fourth ordering paragraph of its Certificate No. 23 by failing to render reasonable, continuous and adequate service to the public in pursuance of its authority to serve United Airlines, (b) with the third ordering paragraph of its Certificate No. 23 by failing to file written notice with the Commission of termination of its contract with United Airlines, and (c) with Title II, Article XII, Sections 4(a) and 5(a) of the Compact by operating without a certificate of public convenience and necessity to serve Pan Am and without there being in effect a tariff for such transportation.

THEREFORE, IT IS ORDERED:

1. That the above-captioned proceeding is hereby instituted pursuant to Title II, Article XII, Section 4(g) of the Compact for the purpose of determining whether Certificate of Public Convenience and Necessity No. 23 of Central Delivery Service of Washington, Inc., should be revoked.

2. That Central Delivery Service of Washington, Inc., is hereby made a party respondent to the above-captioned proceeding.

3. That Central Delivery Service of Washington, Inc., is directed, within 30 days from the date of service hereof, fully to comply with the provisions of the Compact, Title II, Article XII, Section 9(a) and Commission Regulation No. 62.

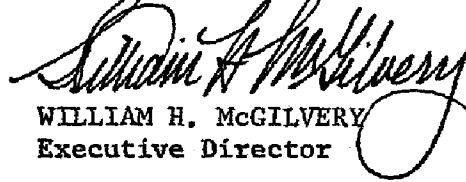
4. That Certificate of Public Convenience and Necessity No. 23 issued to Central Delivery Service of Washington, Inc., is suspended until further order of the Commission, and Central Delivery Service of Washington, Inc., is directed to cease and desist from transportation subject to the Compact, until further order of the Commission.

5. That, with respect to the other matters of noncompliance set forth above, a public hearing is hereby scheduled thereon to commence Thursday, January 11, 1979, at 9:30 a.m., in the Hearing Room of the Commission, Room 314, 1625 I Street, N. W., Washington, D. C. 20006.

^{2/} See Commission Regulation No. 62 as amended by Order No. 1598, served August 25, 1976.

6. That Central Delivery Service of Washington, Inc., be, and it is hereby, assessed the sum of \$500 pursuant to the provisions of the Compact, Title II, Article XII, Section 19, and directed to deliver said amount to the offices of the Commission, Suite 316, 1625 I Street, N. W., Washington, D. C. 20006, no later than 12 noon, Friday, December 29, 1978.

BY DIRECTION OF THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director